

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6723

BILL NUMBER: SB 192

NOTE PREPARED: Feb 27, 2008

BILL AMENDED: Feb 26, 2008

SUBJECT: Truth in Music Advertising.

FIRST AUTHOR: Sen. Deig

FIRST SPONSOR: Rep. Hoy

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) The bill prohibits a person, other than a media source, from advertising or conducting a live musical performance or production by falsely, deceptively, or misleadingly implying that there is an affiliation between a performing group and a recording group. It makes a violation of the provision a Class A infraction.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues: *Infraction:* The bill makes each performance or production of a musical advertised in violation of the law a separate violation. If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class A infraction is \$10,000, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$17), the public defense administration fee (\$3), the court administration fee (\$3), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Civil Action: The bill allows the Attorney General or any aggrieved person to bring a civil action to enjoin performances advertised in violation of the law and to recover any money or property that was acquired in violation of the law. If additional consumer-initiated civil actions occur and court fees are collected, revenue

to the state General Fund may increase. A civil filing fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund when the case is filed in a court of record.

The Attorney General's Office does not pay court fees to bring an action, but a losing defendant may be ordered to pay court fees. Any civil penalties collected by the Office of the Attorney General are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Infraction and Civil Actions:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee (for infractions) or \$100 filing fee (for civil actions) that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Karen Firestone, 317-234-2106.